



**Minutes for Meeting of
Thursday, May 12, 2005**

Item-1: Call to Order

Vice-Chairwoman Leonard called the meeting to order at 4:02 p.m.

Item-2: Roll Call

Present – Vice-Chairwoman Leonard, Commissioners Charles H. Dick, Jr., April Riel, Larry S. Westfall, Karen Thomas-Stefano

Staff – Executive Director Stacey Fulhorst, General Counsel Cristie C. McGuire, Senior Investigator Lauri Davis, Financial Investigator Dee Dee Alari, and Executive Secretary Katherine Hunt

Excused – Commissioners Dorothy L.W. Smith and Gregory Vega

Item-3: Approval of Commission Minutes

Approval of April 25, 2005, Ethics Commission Minutes

Motion: Approve
Moved/Seconded: Riel/Westfall
Vote: Unanimous
Excused: Smith/Vega
Abstained: Karen Thomas-Stefano

Approval of March 10, 2005, Ethics Commission Minutes

Motion: Accept and File
Moved/Seconded: Dick/Stefano
Vote: Unanimous
Excused: Smith/Vega

Item-4: Non-Agenda Public Comment

Ian Trowbridge commented on receiving material late, specifically the amendments mentioned in Agenda Item 8.

Item-5: Commissioner Comment

None

Item-6: Executive Director Comment

Director Fulhorst introduced Katherine Hunt, the new Executive Secretary who joins the Commission after Janet MacFarlane retired. She has worked for the City for over 20 years, with the last 15 spent in the City Clerk's Office. Also, thanks Ed Ketcham for training Katherine on the meeting equipment.

Director Fulhorst reported the following:

1. There was discussion at a previous meeting concerning Closed Session reporting procedures and whether to change them because of a situation where information was released to the public confirming that an investigation was underway.

Some of the facts related in the underlying situation were not correct. What actually happened was a letter acknowledging receipt of a complaint with a case number was sent to a complainant and a copy was given to a reporter. The reporter came to an Ethics Commission meeting, confirmed that an investigation was underway, and reported it to the public. Director Fulhorst did not think this incident would motivate the Commission to change its policy of not providing case numbers on acknowledgement letters to complainants, but suggested that the Commissioners could ask the Chair to re-docket the issue for another meeting if they so desired.

2. The Commission recently directed staff to review proposed amendments to the Campaign Control Ordinance. The proposed changes would require candidates and committees that mention the name of a city candidate within a certain period of time before an election to file disclosure statements and abide by contributions limits and other matters of that nature. Work will need to be delayed on this until after the July 26 special election because there is not sufficient time to schedule a public hearing and obtain public comment, and move proposed amendments through the Rules Committee and City Council. Having a new law go into effect 2-3 weeks before the election would be problematic. These proposed amendments will be included later this year as part of a package of clean-up amendments associated with the recent overhaul of local campaign laws.

Comment by Ian Trowbridge who spoke to Item 6, Executive Director's Comment. Concerning the processing of complaints, Mr. Trowbridge's understanding is that confidentiality is maintained to protect the complainant from retaliation and not to protect the respondent. He believes the Commission's policy of not assigning case numbers to acknowledgment letters that complainants receive is a move towards less open government.

Vice-Chairwoman Leonard stated the investigative process must be protected by keeping it confidential. Both the complainant and respondent need protection to prevent information from being destroyed in order to conduct investigations.

Director Fulhorst pointed out that confidential information from an investigation could be used as a weapon in an election campaign by competing candidates.

Item-7 General Counsel Comment

None.

Item-8 Proposed Amendments to the Commission's Investigation and Enforcement Procedures

Director Fulhorst presented the staff report on the proposed amendments to the Commission's Investigative and Enforcement Procedures. She explained the proposed changes are generally designed to bring the Municipal Code into conformance with the City Charter, to clarify the original intent behind various provisions, and to update several provisions to reflect accomplishments since the procedures were first drafted in 2001.

Commissioner Stefano questions what the next step is in the process for considering the proposed changes to the ordinance.

Comment by Ian Trowbridge regarding allowing further public comment before changes are made to the ordinance. Rather than change the section of the ordinance concerning a quorum, he suggested that disinterested members should be dismissed. He also mentioned the Ethics Commission and City Attorney's office should work together to resolve issues.

Director Fulhorst advised the proposed changes to the ordinance were brought up tonight so the public and Commissioners could review the staff report and draft ordinance. There will be additional public comment at the next meeting on June 9, 2005, before the Commission takes any action.

Mel Shapiro commented that the Ethics Commission's appointment process needs strengthening.

Vice-Chair Leonard reported that this item will be back on the agenda for the June meeting.

Item-9 Presentation of Final Audit Report regarding the Audit of Lobbyist Quarterly Disclosure Reports for 2003

Director Fulhorst presented the Final Audit Report. She explained that the Audit procedures provide when there are no material findings the report can be presented in Open Session. The audit ensures that registered lobbyists are reporting expenses as required, by comparing the gifts that are reported by City officials.

Motion: To accept the Final Audit Report.

Moved/Seconded: Dick/Riel

Vote: Unanimous

Excused: Smith/Vega

Item-10 Amendments to Ethics Commission Legislative Calendar

Item withdrawn.

Item-11: Adjournment to Closed Session

Vice-Chairperson Leonard adjourned the meeting to Closed Session at approximately 4:40 p.m. She stated the Commission would reconvene into Open Session following the conclusion of Closed Session in order to report any action taken during the closed session portion of the meeting.

Reconvene to Open Session

Vice-Chairperson Leonard called the meeting back into open session at approximately 5:50 p.m.

Reporting Results of Closed Session Meeting of May 12, 2005

Vice-Chairperson Leonard reported the results of the Closed Session Meeting of May 12, 2005

Item 1 – Conference with Legal Counsel (3 Potential Matters)

Case No. 2005-10 – In re: Alleged Contribution in Excess of Limit

Motion: Initiate Investigation

Moved/Seconded

Vote: Unanimous

Excused: Vega/Smith

Case No. 2005-11 – In re: Alleged Acceptance of Gift In Excess of Gift Limit

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Vega/Smith

Case No. 2005-12 – In re: Alleged Acceptance of Gift In Excess of Gift Limit

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Vega/Smith

Item 2 – Conference with Legal Counsel (2 Potential Matters)

Case No. 2004-03 – In re: Alleged Failure to Disqualify on Municipal Decision Affecting Economic Interest

No reportable action.

Case No. 2004-59 – In re: Alleged Failure to File Campaign Disclosure Statement

Motion: Dismiss
Moved/Seconded
Vote: 4/1 (Westfall – Nay)
Excused: Vega/ Smith

Adjournment

The meeting adjourned at approximately 5:51 p.m.

Dorothy Leonard, Vice-Chairwoman
Ethics Commission

Kathy Hunt, Executive Secretary
Ethics Commission

THIS INFORMATION WILL BE MADE AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST.